

AMENDED IN ASSEMBLY JANUARY 20, 2000

AMENDED IN ASSEMBLY APRIL 6, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 499

Introduced by Assembly Member Aroner
(Coauthors: Assembly Members Aanestad, Bates, Corbett,
Kuehl, Steinberg, Strickland, Thomson, Vincent, Wayne,
and Zettel)

February 18, 1999

An act to add Section 14132.26 to the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

AB 499, as amended, Aroner. Medi-Cal: assisted living demonstration project.

Existing law provides for the Medi-Cal program, administered by the State Department of Health Services, under which qualified low-income persons are provided with health care services.

This bill would require the department to develop a demonstration project to test the efficacy of providing an assisted living benefit to low-income beneficiaries under the Medi-Cal program.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. (a) It is the intent of the Legislature to
2 develop options that allow elderly and disabled
3 individuals maximum choice in determining their living
4 arrangements, including the choice to remain in the least
5 restrictive and most homelike environment as they age or
6 grow frail.

7 (b) It is further the intent of the Legislature to ensure
8 that elderly and disabled individuals have access to
9 appropriate health care and personal assistance,
10 regardless of their income level, health status, or choice
11 of housing arrangement.

12 SEC. 2. Section 14132.26 is added to the Welfare and
13 Institutions Code, to read:

14 14132.26. (a) The department shall develop a
15 demonstration project to test the efficacy of providing an
16 assisted living benefit to low-income beneficiaries under
17 the Medi-Cal program. The department shall submit any
18 necessary waiver applications or modifications to the
19 medicaid state plan to the Health Care Financing
20 Administration to implement the demonstration project,
21 and shall implement the project only to the extent federal
22 financial participation is available.

23 (b) The department shall develop the demonstration
24 project in conjunction with consumers, consumer
25 advocates, housing and service providers, and experts in
26 the fields of gerontology, geriatric health, nursing
27 services, and independent living.

28 (c) The assisted living benefit shall be designed to
29 provide eligible individuals with a range of services that
30 enable them to remain in the least restrictive and most
31 homelike environment while receiving the medical and
32 personal care necessary to protect their health and
33 well-being. *Benefits provided pursuant to this*
34 *demonstration project shall include only those not*
35 *otherwise available under the state plan, and may*
36 *include, but are not limited to, medicine management,*
37 *coordination with a primary health care provider, and*
38 *case management.*



(d) (1) Eligible individuals shall be those who are determined by the department to be eligible for, ~~or at risk of,~~ placement in a nursing facility. Eligibility shall be based on an assessment of an individual's ability to perform functional and instrumental activities of daily living, as well as the individual's medical diagnosis and prognosis.

(2) An eligible individual shall participate in the demonstration project only if he or she is fully informed of the project and the nature of the benefit and indicates in writing his or her choice to participate.

(e) (1) The demonstration project shall test the effectiveness of providing a Medi-Cal assisted living benefit through two service delivery ~~approaches.~~

~~(1) An approaches, as specified in paragraphs (2) and (3).~~

(2) *Under the first model, an* assisted living benefit shall be provided to residents of licensed residential care facilities. Under this model the facility operator shall be responsible for the provision of services allowed under the benefit, either directly or through contracts with other provider agencies.

~~(2) An~~
(3) *Under the second model, an* assisted living benefit shall be provided to ~~residents in a range of unlicensed and unregulated settings including individual homes, apartments, and residents in~~ publicly funded senior and disabled housing projects. Under this model an independent agency, pursuant to a contract with the department, shall be responsible for the provision of services to eligible individuals ~~in a geographic area specified by the department.~~

(f) The department shall evaluate the effectiveness of the demonstration project.

(1) The evaluation shall include, but not be limited to, participant satisfaction and a comparison of the cost-effectiveness of the demonstration project with current state programs that provide services to low-income elderly and disabled persons.

1 (2) The evaluation shall estimate the projected
2 savings, if any, in the budgets of state and local
3 governments if the program was expanded statewide.

4 (3) The evaluation shall be submitted to the
5 appropriate policy and fiscal committees of the
6 Legislature on or before January 1, 2002.

7 ~~(g) The number of individuals, facilities, and agencies~~
8 ~~participating in the demonstration project shall be~~
9 ~~limited in accordance with any requirements of the~~
10 ~~Health Care Financing Administration.~~

11 *(g) The department shall limit the number of*
12 *participants in the demonstration project during the*
13 *initial three years of its operation to a number that will be*
14 *statistically significant for purposes of the program*
15 *evaluation and that meets any requirements of the*
16 *federal Health Care Financing Administration.*

17 *(h) The aggregate costs of benefits under the*
18 *demonstration project shall not exceed the average*
19 *monthly rate for the placement of waiver participants in*
20 *a skilled nursing facility.*

